



Department of Energy
Western Area Power Administration
Desert Southwest Customer Service Region
P.O. Box 6457
Phoenix, AZ 85005-6457

JUL 21 2009

Dear Parker-Davis Project Customers and Interested Parties:

Rate Order No. WAPA-138 requires annual calculations of the firm electric and transmission service rates for the Parker-Davis Project (P-DP). Western Area Power Administration (Western) has calculated the rates for Fiscal Year 2010. Included in the rates are the results of the informal rate meeting held on April 22, 2009, and the Advancement of Funds Funding Board Meeting held on July 16, 2009. The firm electric and transmission service rates for Fiscal Year 2010 are as follows:

Energy and Capacity Components of Firm Electric Service (PD-F7)

| | |
|----------------|-----------------|
| Capacity Rate | \$1.86/kW-Month |
| Energy Rate | 4.24 mills/kWh |
| Composite Rate | 8.48 mills/kWh |

Long-Term Firm Point-to-Point Transmission Service (PD-FT7)

| | |
|--------------|------------------|
| Yearly Rate | \$12.96/kW-Year |
| Monthly Rate | \$ 1.08/kW-Month |

Short-Term Firm Point-to-Point Transmission Service (PD-FT7)

| | |
|--------------|------------------|
| Monthly Rate | \$1.08/kW-Month |
| Weekly Rate | \$0.2492/kW-Week |
| Daily Rate | \$0.0355/kW-Day |
| Hourly Rate | 1.48 mills/kWh |

Nonfirm Transmission Service (PD-NFT7)

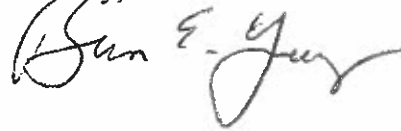
| | |
|-------------|----------------|
| Hourly Rate | 1.48 mills/kWh |
|-------------|----------------|

Firm Transmission Service of Salt Lake City Area Integrated Projects Power (PD-FCT7)

| | |
|---------------|------------------|
| Seasonal Rate | \$6.48/kW-season |
| Monthly Rate | \$1.08/kW-month |

Information concerning the P-DP rates will be available for review on Western's website at <http://www.wapa.gov/dsw/pwrmt/RateAdjust/Main.htm>. If you have any questions or need additional information, please contact Mr. Jack Murray at (602) 605-2442 or Mr. Scott Lund at (602) 605-2441.

Sincerely,

A handwritten signature in dark ink, appearing to read "Deb Emler", written in a cursive style.

for

Deborah K. Emler
Assistant Regional Manager
for Federal Power Programs